

HOUSE

AMENDMENT NO.____

Offered by

____ of _____

1 AMEND House Committee Substitute for House Bill No. 186, Page 1,
 2 In the Title, Lines 2 and 3, by deleting all of said lines and
 3 inserting in lieu thereof the following:

4 "To amend chapters 67 and 94, RSMo, by adding thereto two
 5 new sections relating to local taxes, with an emergency clause
 6 for a certain section."; and

7 Further amend said bill, Page 1, Section A, Lines 1 and 2,
 8 by deleting all of said lines and inserting in lieu thereof the
 9 following:

10 "Section A. Chapters 67 and 94, RSMo, are amended by adding
 11 thereto two new sections, to be known as sections 67.1305 and
 12 94.838, to read as follows:

13 67.1305. 1. As used in this section, the term "city" shall
 14 mean any incorporated city, town, or village.

15 2. In lieu of the sales taxes authorized under sections
 16 67.1100 and 67.1303. The governing body of any city or county

Action Taken _____

Date _____

1 may impose, by order or ordinance, a sales tax on all retail
2 sales made in the city or county which are subject to sales tax
3 under chapter 144, RSMo. The tax authorized in this section
4 shall not be more than one-half of one percent. The order or
5 ordinance imposing the tax shall not become effective unless the
6 governing body of the city or county submits to the voters of the
7 city or county at any citywide, county or state general, primary
8 or special election a proposal to authorize the governing body to
9 impose a tax under this section. The tax authorized in this
10 section shall be in addition to all other sales taxes imposed by
11 law, and shall be stated separately from all other charges and
12 taxes. The tax authorized in this section shall not be imposed
13 by any city or county that has imposed a tax under section
14 67.1300 or 67.1303 unless the tax imposed under those sections
15 has expired or been repealed.

16 3. The ballot of submission for the tax authorized in this
17 section shall be in substantially the following form:

18 Shall (insert the name of the city or county)
19 impose a sales tax at a rate of (insert rate of
20 percent) percent for economic development purposes?

21 [] YES

[] NO

22
23 If a majority of the votes cast on the question by the qualified
24 voters voting thereon are in favor of the question, then the tax

1 shall become effective on the first day of the second calendar
2 quarter following the calendar quarter in which the election was
3 held. If a majority of the votes cast on the question by the
4 qualified voters voting thereon are opposed to the question, then
5 the tax shall not become effective unless and until the question
6 is resubmitted under this section to the qualified voters and
7 such question is approved by a majority of the qualified voters
8 voting on the question, provided that no proposal shall be
9 resubmitted to the voters sooner than twelve months from the date
10 of the submission of the last proposal.

11 4. All sales taxes collected by the director of revenue
12 under this section on behalf of any county or municipality, less
13 one percent for cost of collection which shall be deposited in
14 the state's general revenue fund after payment of premiums for
15 surety bonds as provided in section 32.087, RSMo, shall be
16 deposited in a special trust fund, which is hereby created, to be
17 known as the "Local Option Economic Development Sales Tax Trust
18 Fund".

19 5. The moneys in the local option economic development
20 sales tax trust fund shall not be deemed to be state funds and
21 shall not be commingled with any funds of the state. The
22 director of revenue shall keep accurate records of the amount of
23 money in the trust fund and which was collected in each city or
24 county imposing a sales tax pursuant to this section, and the

1 records shall be open to the inspection of officers of the city
2 or county and the public.

3 6. Not later than the tenth day of each month the director
4 of revenue shall distribute all moneys deposited in the trust
5 fund during the preceding month to the city or county which
6 levied the tax. Such funds shall be deposited with the county
7 treasurer of each such county or the appropriate municipal
8 officer in the case of a municipal tax, and all expenditures of
9 funds arising from the local economic development sales tax trust
10 fund shall be in accordance with this section.

11 7. The director of revenue may authorize the state
12 treasurer to make refunds from the amounts in the trust fund and
13 credited to any city or county for erroneous payments and
14 overpayments made, and may redeem dishonored checks and drafts
15 deposited to the credit of such cities and counties.

16 8. If any county or municipality abolishes the tax, the
17 city or county shall notify the director of revenue of the action
18 at least ninety days prior to the effective date of the repeal
19 and the director of revenue may order retention in the trust
20 fund, for a period of one year, of two percent of the amount
21 collected after receipt of such notice to cover possible refunds
22 or overpayment of the tax and to redeem dishonored checks and
23 drafts deposited to the credit of such accounts. After one year
24 has elapsed after the effective date of abolition of the tax in

1 such city or county, the director of revenue shall remit the
2 balance in the account to the city or county and close the
3 account of that city or county. The director of revenue shall
4 notify each city or county of each instance of any amount
5 refunded or any check redeemed from receipts due the city or
6 county.

7 9. Except as modified in this section, all provisions of
8 sections 32.085 and 32.087, RSMo, shall apply to the tax imposed
9 pursuant to this section.

10 10. (1) No revenue generated by the tax authorized in this
11 section shall be used for any retail development project, except
12 for the redevelopment of downtown areas and historic districts.
13 Not more than twenty-five percent of the revenue generated shall
14 be used annually for administrative purposes, including staff and
15 facility costs.

16 (2) At least twenty percent of the revenue generated by
17 the tax authorized in this section shall be used solely for
18 projects directly related to long-term economic development
19 preparation, including, but not limited to, the following:

20 (a) Acquisition of land;

21 (b) Installation of infrastructure for industrial or
22 business parks;

23 (c) Improvement of water and wastewater treatment capacity;

24 (d) Extension of streets;

1 (e) Public facilities directly related to economic
2 development and job creation; and

3 (f) Providing matching dollars for state or federal grants
4 relating to such long-term projects;

5 (3) The remaining revenue generated by the tax authorized
6 in this section may be used for, but shall not be limited to, the
7 following:

8 (a) Marketing;

9 (b) Providing grants and loans to companies for job
10 training, equipment acquisition, site development, and
11 infrastructures;

12 (c) Training programs to prepare workers for advanced
13 technologies and high skill jobs;

14 (d) Legal and accounting expenses directly associated with
15 the economic development planning and preparation process;

16 (e) Developing value-added and export opportunities for
17 Missouri agricultural products.

18 11. All revenue generated by the tax shall be deposited in
19 a special trust fund and shall be used solely for the designated
20 purposes. If the tax is repealed, all funds remaining in the
21 special trust fund shall continue to be used solely for the
22 designated purposes. Any funds in the special trust fund which
23 are not needed for current expenditures may be invested by the
24 governing body in accordance with applicable laws relating to the

1 investment of other city or county funds.

2 12. Any city or county imposing the tax authorized in this
3 section shall establish an economic development tax board. The
4 volunteer board shall receive no compensation or operating
5 budget.

6 (1) The economic development tax board established by a
7 city and shall consist of five members, to be appointed as
8 follows:

9 (a) One member shall be appointed by the school districts
10 included within any economic development plan or area funded by
11 the sales tax authorized in this section. Such members shall be
12 appointed in any manner agreed upon by the affected districts;

13 (b) Three members shall be appointed by the chief elected
14 officer of the city with the consent of the majority of the
15 governing body of the city;

16 (c) One member shall be appointed by the governing body of
17 the county in which the city is located.

18 (2) The economic development tax board established by a
19 county shall consist of seven members, to be appointed as
20 follows:

21 (a) One member shall be appointed by the school districts
22 included within any economic development plan or area funded by
23 the sales tax authorized in this section. Such members shall be
24 appointed in any manner agreed upon by the affected districts;

1 (b) Four members shall be appointed by the governing body
2 of the county; and

3 (c) Two members from the cities, towns, or villages within
4 the county appointed in any manner agreed upon by the chief
5 elected officers of the cities or villages.

6
7 Of the members initially appointed, three shall be designated to
8 serve for terms of two years, and the remaining members shall be
9 designated to serve for a term of four years from the date of
10 such initial appointments. Thereafter, the members appointed
11 shall serve for a term of four years, except that all vacancies
12 shall be filled for unexpired terms in the same manner as were
13 the original appointments.

14 13. The board, subject to approval of the governing body of
15 the city or county, shall consider economic development plans,
16 economic development projects, or designations of an economic
17 development area, and shall hold public hearings and provide
18 notice of any such hearings. The board shall vote on all
19 proposed economic development plans, economic development
20 projects, or designations of an economic development area, and
21 amendments thereto, within thirty days following completion of
22 the hearing on any such plan, project, or designation, and shall
23 make recommendations to the governing body within ninety days of
24 the hearing concerning the adoption of or amendment to economic

1 development plans, economic development projects, or designations
2 of an economic development area. The governing body of the city
3 or county shall have the final determination on use and
4 expenditure of any funds received from the tax imposed under this
5 section.

6 14. The board may consider and recommend using funds
7 received from the tax imposed under this section for plans,
8 projects or area designations outside the boundaries of the city
9 or county imposing the tax if, and only if:

10 (1) The city or county imposing the tax or the state
11 receives significant economic benefit from the plan, project or
12 area designation; and

13 (2) The board establishes an agreement with the governing
14 bodies of all cities and counties in which the plan, project or
15 area designation is located detailing the authority and
16 responsibilities of each governing body with regard to the plan,
17 project or area designation.

18 15. Notwithstanding any other provision of law to the
19 contrary, the economic development sales tax imposed under this
20 section when imposed within a special taxing district, including,
21 but not limited to a tax increment financing district,
22 neighborhood improvement district, or community improvement
23 district, shall be excluded from the calculation of revenues
24 available to such districts, and no revenues from any sales tax

1 imposed under this section shall be used for the purposes of any
2 such district unless recommended by the economic development tax
3 board established under this section and approved by the
4 governing body imposing the tax.

5 16. The board and the governing body of the city or county
6 imposing the tax shall report at least annually to the governing
7 body of the city or county on the use of the funds provided under
8 this section and on the progress of any plan, project, or
9 designation adopted under this section and shall make such report
10 available to the public.

11 17. Not later than the first day of March each year the
12 board shall submit to the joint committee on economic development
13 a report, not exceeding one page in length, which must include
14 the following information for each project using the tax
15 authorized under this section:

16 (1) A statement of its primary economic development goals;

17 (2) A statement of the total economic development sales tax
18 revenues received during the immediately preceding calendar year;

19 (3) A statement of total expenditures during the preceding
20 calendar year in each of the following categories:

21 (a) Infrastructure improvements;

22 (b) Land and or buildings;

23 (c) Machinery and equipment;

24 (d) Job training investments;

- 1 (e) Direct business incentives;
2 (f) Marketing;
3 (g) Administration and legal expenses; and
4 (h) Other expenditures.

5 18. The governing body of any city or county that has
6 adopted the sales tax authorized in this section may submit the
7 question of repeal of the tax to the voters on any date available
8 for elections for the city or county. The ballot of submission
9 shall be in substantially the following form:

10 Shall (insert the name of the city or county)
11 repeal the sales tax imposed at a rate of (insert rate
12 of percent) percent for economic development purposes?

13 [] YES

[] NO

14
15 If a majority of the votes cast on the proposal are in favor of
16 repeal, that repeal shall become effective on December
17 thirty-first of the calendar year in which such repeal was
18 approved. If a majority of the votes cast on the question by the
19 qualified voters voting thereon are opposed to the repeal, then
20 the sales tax authorized in this section shall remain effective
21 until the question is resubmitted under this section to the
22 qualified voters of the city or county, and the repeal is
23 approved by a majority of the qualified voters voting on the
24 question.

1 19. Whenever the governing body of any city or county that
2 has adopted the sales tax authorized in this section receives a
3 petition, signed by ten percent of the registered voters of the
4 city or county voting in the last gubernatorial election, calling
5 for an election to repeal the sales tax imposed under this
6 section, the governing body shall submit to the voters a proposal
7 to repeal the tax. If a majority of the votes cast on the
8 question by the qualified voters voting thereon are in favor of
9 the repeal, that repeal shall become effective on December
10 thirty-first of the calendar year in which such repeal was
11 approved. If a majority of the votes cast on the question by the
12 qualified voters voting thereon are opposed to the repeal, then
13 the tax shall remain effective until the question is resubmitted
14 under this section to the qualified voters and the repeal is
15 approved by a majority of the qualified voters voting on the
16 question.

17 20. If any provision of this section or section 67.1303 or
18 the application thereof to any person or circumstance is held
19 invalid, the invalidity shall not affect other provisions or
20 application of this section or section 67.1303 which can be given
21 effect without the invalid provision or application, and to this
22 end the provisions of this section and section 67.1303 are
23 declared severable."; and

24 Further amend said bill, Page 3, Section B, Lines 1 to 5, by

1 deleting all of said lines and inserting in lieu thereof the
2 following:

3 "Section B. Because immediate action is necessary to
4 provide funding for necessary infrastructure, the enactment of
5 section 94.838 of section A of this act is deemed necessary for
6 the immediate preservation of the public health, welfare, peace,
7 and safety, and is hereby declared to be an emergency act within
8 the meaning of the constitution, and the enactment of section
9 94.838 of section A of this act shall be in full force and effect
10 upon its passage and approval."; and

11 Further amend said title, enacting clause and intersectional
12 references accordingly.